

**Senate File 497 - Introduced**

SENATE FILE 497  
BY COMMITTEE ON TRANSPORTATION

(SUCCESSOR TO SSB 1171)

(COMPANION TO LSB 2198HV BY  
COMMITTEE ON TRANSPORTATION)

**A BILL FOR**

1 An Act relating to the issuance and suspension of motor vehicle  
2 registrations and certificates of title.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.30, subsection 1, paragraph d, Code  
2 2023, is amended to read as follows:

3 d. That the registration of the vehicle stands suspended  
4 or revoked, or the person applying for registration is  
5 prohibited from registering a motor vehicle, for any reason  
6 as provided in the motor vehicle laws of this state, except  
7 that the department and the county treasurer shall not refuse  
8 registration and issuance of a certificate of title or transfer  
9 of title as provided in section 321A.5 or 321A.17, or in  
10 accordance with rules adopted by the department.

11 Sec. 2. Section 321A.5, Code 2023, is amended by adding the  
12 following new subsection:

13 NEW SUBSECTION. 5. Notwithstanding any provision of this  
14 section to the contrary, the department and a county treasurer  
15 shall not refuse registration and issuance or transfer of a  
16 certificate of title to a person required by this section to  
17 deposit security, but the registration, once issued, shall be  
18 immediately suspended and the suspension shall remain in effect  
19 unless and until the owner deposits security in accordance with  
20 this section.

21 Sec. 3. Section 321A.17, Code 2023, is amended by adding the  
22 following new subsection:

23 NEW SUBSECTION. 10. Notwithstanding any provision of this  
24 section to the contrary, the department and a county treasurer  
25 shall not refuse registration and issuance or transfer of  
26 a certificate of title to a person required to give and  
27 thereafter maintain proof of financial responsibility under  
28 this section, but the registration, once issued, shall be  
29 immediately suspended and the suspension shall remain in effect  
30 unless and until the person gives and thereafter maintains  
31 proof of financial responsibility as required by this section.

32 EXPLANATION

33 The inclusion of this explanation does not constitute agreement with  
34 the explanation's substance by the members of the general assembly.

35 Under current law, the department of transportation (DOT)

1 or a county treasurer is required to refuse registration and  
2 issuance of a certificate of title or transfer of title for a  
3 motor vehicle if, among other reasons, the registration of the  
4 vehicle stands suspended or revoked for any reason as provided  
5 in the motor vehicle laws of this state.

6 The DOT is required to suspend a vehicle registration for  
7 a variety of reasons. Among other circumstances, under Code  
8 section 321A.5, the DOT must suspend a registration within  
9 60 days after receiving a report of a motor vehicle accident  
10 within this state which resulted in bodily injury to, death  
11 of, or damage to the property in the amount of \$1,500 or more  
12 of, any one person. Under Code section 321A.17, the DOT  
13 is required to suspend the registration of a person who is  
14 convicted for a violation of Code chapter 321J (operating while  
15 intoxicated), whose driver's license was suspended or revoked,  
16 or who forfeits bail after operating while intoxicated. The  
17 registration remains suspended until the person gives and  
18 maintains proof of financial responsibility. The proof of  
19 financial responsibility must include one of a list of options,  
20 including form SR-22, pursuant to the DOT's administrative  
21 rules.

22 In such circumstances, this bill requires the DOT and  
23 a county treasurer to issue a registration for a vehicle  
24 and, if registration is issued, requires the DOT or a county  
25 treasurer to immediately suspend the registration, unless  
26 the person deposits security in accordance with Code section  
27 321A.5 or gives and thereafter maintains proof of financial  
28 responsibility in accordance with Code section 321A.17, as  
29 applicable.

30 A person who operates any motor vehicle upon the highways  
31 if the certificate of title has been canceled, or while  
32 the registration is suspended or revoked, commits a simple  
33 misdemeanor punishable by a scheduled fine of \$135.